



U.S. DEPARTMENT OF ENERGY  
Office of Electricity Delivery and  
Energy Reliability

# ENERGY ASSURANCE DAILY

Tuesday, March 14, 2006

## *Electricity*

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### **Entergy's 684 MW Pilgrim Nuclear Plant in Massachusetts Shut Again; Seen Back Soon**

The 684 MW Pilgrim plant experienced a problem with a valve in the off gas system causing the unit to shut during the evening of March 13. The unit had just exited an outage to clean the condenser and replace the transformer.

Entergy anticipates that the unit will be returned to service soon.

Reuters, 11:43 March 14, 2006.

### **Update: TXU's 575 MW Coal-fired Unit 2 at its Big Brown Plant Back in Service March 14**

According to TXU, the 575 MW unit 2 at its Big Brown coal-fired generating facility in Freestone County, Texas returned to service. The unit had been shut during the past weekend when a problem developed with a control system.

Reuters, 10:47 March 14, 2006.

### **Calpine's 264 MW Gas-fired Sutter Facility in California Shut March 14**

Reuters, 12:23 March 14, 2006.

## *Petroleum*

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### **Crude Prices Jump; Gasoline Up 7 Percent on Outages, Supply Concerns**

A combination of factors resulted in a surge in oil and gasoline prices. The spot price for crude oil closed at \$63.10 while the price of gasoline surged by seven percent to close at \$1.866 a gallon, the highest price in five months. The increases reflect a number of issues including: a 100,000 b/d upward revision of the volume of oil taken out of production by the string of recent attacks by militants in Nigeria; concern over the adequacy of supply to meet upcoming summer demand as MTBE is phased out in a number of states; concern over Iranian threats relating to their nuclear program; and the impact of a prolonged outage of a major gasoline production unit at a refinery in the Virgin Islands.

Reuters, 15:46 March 14, 2006.

Reuters, 15:22 March 14, 2006.

Reuters, 03:10 March 14, 2006.

### **Cat Cracker Shut at 495,000 b/d Hovensa Refinery in Virgin Islands for Two Weeks**

A 115,000 b/d capacity catalytic cracking unit at the 495,000 b/d refinery was shut down on March 11 so that unscheduled work could be performed. According to a company representative, the company is assessing mechanical issues and has the goal to restart the gasoline production unit in two weeks.

Reuters, 10:55 March 14, 2006.

### **Nigeria Adds 100,000 b/d to Production Outage Figure from Attacks – Now 556,000 b/d**

Nigeria's petroleum minister announced that the volume of crude oil production shut by the series of recent attacks on oil facilities has been revised upward by 100,000 b/d to include third party production also impacted by the outage of the Shell facilities.

Reuters, 07:29 March 14, 2006.

### **FCC Unit at BP's 260,000 b/d Carson Refinery Seen Back Soon**

BP Plc reduced production at its 260,000 b/d refinery in Carson, California over the past weekend to repair a problem with the fluid catalytic cracking unit. The outage affected gasoline output at the refinery. BP anticipated that the repairs would be completed late on March 13.

Reuters, 15:31 March 13, 2006.

## **Natural Gas**

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### **Fuel Switching, Conservation Will Limit Gas Demand Growth this Year: Analyst**

Energy Ventures Analysis in its latest issue of Fuelcast sees limited demand growth for natural gas during 2006 as high prices result in conservation, demand destruction, and fuel switching.

NGI's Daily Gas Intelligence, March 14, 2006.

<http://intelligencepress.com/>

### **Environmental Report Sees Only Minor Impact from Proposed Main Pass Offshore LNG Project**

The US Coast Guard and the Maritime Administration have jointly issued the final environmental impact study for the proposed Main Pass offshore LNG terminal. The report concludes that there would be only minor environmental impact from the operation of the terminal over the long term. The public now has 45 days to comment on the report.

NGI's Daily Gas Intelligence, March 14, 2006.

<http://intelligencepress.com/>

Oil Daily, March 14, 2006.

### **Warm Weather Prompts Florida Gas Transmission Issue Overage Warning**

Florida Gas Transmission (FGT) issued an overage alert as a forecast for high temperatures coincided with low line pack in the FGT system. The alert requires shippers to maintain their volumes within 25 percent of their scheduled volumes.

Reuters, 12:08 March 14, 2006.

## **Other News**

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices March 14, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	63.10	61.51	55.05
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	7.17	6.53	7.16

Source: Reuters

## Energy Notes

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### **Chevron to Spend \$1 Billion this Year to Increase Gasoline Production at Three U.S. Refineries**

Reuters, 11:48 March 14, 2006.

### **Update: Xcel Report Justifies Rolling Blackouts of Mid-February that Affected 300,000 in Colorado**

<http://biz.yahoo.com/bizj/060313/1258863.html?v=3>

### **Fort Worth, Texas Power Outage Affects Major Building in Downtown March 13**

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BgiqrrtqVThe%216%3C%22bfe1%5Dv>

### **Experts See Cheap Gas Resources on Decline in North America**

Oil Daily, March 14, 2006.

[http://www.energyintel.com/PublicationHomePage.asp?publication\\_id=5](http://www.energyintel.com/PublicationHomePage.asp?publication_id=5)

### **European Refiners Total and ENI Ready to Meet New U.S. Gasoline Specs in Time for Summer**

Reuters, 13:49 March 14, 2006.

### **High Prices Lead IEA to Cut Its World Oil Demand Growth Forecast by 290,000 b/d**

Reuters, 04:00 March 14, 2006.

### **Week Long Delays Back up Tanker Deliveries in Singapore**

Reuters 00:55 March 14, 2006.

## Links

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

**Weekly Petroleum Status Report** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 1:00 PM EST every Wednesday.

**Natural Gas Weekly Update** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

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